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NIXON'S INCREDIBLE MISHMASH

President Nixon's proposals for getting the nation out of what he correctly calls the "welfare quagmire" are outlined in four documents: (1) his August 8, 1969, TV speech to the nation on converting welfare into workfare; (2) his August 11 Welfare Reform Message to Congress; (3) his August 12 Manpower Training Message to Congress; and (4) his September 1 speech to the 1969 National Conference of Governors.

In these four documents, Nixon dissects and denounces federal social programs initiated in the 1930s. He says these programs, amplified for a third of a century (in number, volume, extent, cost, and ineffectiveness), are destroying our nation. He proposes what he calls sweeping and fundamental reforms, to reverse direction and stop our rapid descent into the morass of welfare-statism. Nixon calls his proposals the New Federalism.

But New Federalism would continue *all* and expand *most* of the social programs (which, Nixon says, are already "frozen in failure and frustration") of the New Deal, the Fair Deal, Modern Republicanism, the New Frontier, and the Great Society — and would add new and costlier programs of the same general kind.

Is President Nixon cynically trying to deceive the people, or is he deceiving himself? Maybe, both.

As a consequence of the federal government's multi-trillion-dollar social-welfare spending since the 1930s, some 40 million Americans now receive (directly) benefits, aid, or welfare from the *federal* government.

Many of these millions are totally dependent on the dole from Washington. Many are partially dependent on it. Few, if any, want to give it up. On most issues, these 40 million Americans have various attitudes; but on one issue (keeping their federal benefits and getting more, if possible), they are in almost unanimous agreement. On this one issue, 40 million Americans tend to give bloc-support

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for the politician who, they think, can and will give them the most out of the federal treasury.

On the other hand, many of these same 40 millions (plus millions of others) are upset about soaring living costs, violence in the streets and on campuses, irrational and tyrannical federal guidelines and controls with regard to the operation of schools, businesses, hospitals, state and local governments.

It is apparent that many who are upset about these conditions do not realize the conditions are caused, in large part, by the federal government's "social programs." Many Americans want the social programs, but deplore the consequences of them, unaware there is any connection. They vote for a politician because he condemns federal controls, and also because he promises federal aid — never perceiving that the illegal aid produces the illegal controls. They vote for a politician because he promises federal spending on antipoverty programs, and also because he condemns riotous mob violence — not realizing that antipoverty spending has helped organize, incite, encourage, and finance a great deal of the mob violence.

President Nixon is said to be a canny politician, in the sense that he knows what to tell and promise people in order to get their votes. Perhaps, therefore, he is appealing to the millions who want federal welfare spending endlessly increased, and also to those who resent the conditions that welfare spending has produced. The President may also have been duped by his own rhetoric.

Both, it seems to me, are evident in the President's four messages on his New Federalism: with cold calculation, he tries to disguise the fact that he is proposing to multiply and magnify the very evils he condemns; but, at the same time, he seems so carried away by his own slogans and purple patches, that he almost believes he is being consistent and making sense.

The cold calculation predominates, however. President Nixon has produced a vote-buying scheme that is the envy of experts at buying votes with taxpayers' money. Speaking of Nixon's welfare plan, a man who was one of Lyndon Johnson's economic advisers said to Walter Trohan of the *Chicago Tribune*:

"I wish we had thought of it. It's a marvelous vote catcher."(1)

Whatever the motives behind them, President Nixon's four messages on the New Federalism — taken together or separately — contain an incredible mishmash of contradictions.

President Nixon says:

"A guaranteed minimum income for everyone. . . . would . . . wipe out the basic economic motivation for work and place an enormous strain on the industrious to pay for the leisure of the lazy."

"During the presidential campaign last year, I opposed such a plan. I oppose it now, and will continue to oppose it. A guaranteed income would undermine the incentive to work. . . .

"There is no reason why one person should be taxed so that another can choose to live idly."

In the same New-Federalism messages where he makes the foregoing remarks, President Nixon (without even adding a *however*) says:

"We have proposed. . . . a new system that for the first time would insure a minimum income for every family with dependent children."

"We propose a plan in which. . . . we would assure an income foundation throughout every section of America for all parents who cannot adequately support themselves and their children. For a family of four with less than $1000 income, this payment would be $1600 a year; for a family of four with $2000 income, this payment would supplement that income by $960 a year. . . .

"In 30 states, the federal basic payment will be less than the present levels of combined federal and state payments. These states will be required to maintain the current level of benefits, but in no case will a state be required to spend more than 90 per cent of its present welfare cost. . . .

"In 20 states, the new [federal] payment would exceed the present average benefit payments. . . . [and] will raise benefit levels sub-

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stantially. For five years . . . [these states] will be required to continue to spend at least half of what they are now spending on welfare, to supplement the federal base.

"*This national floor under incomes for working or dependent families is not a guaranteed income.*"

Why is President Nixon's guaranteed income not a guaranteed income? Because, the President says, *everyone* will not get it! He specifically excludes from the guaranteed income "the single adult who is not handicapped or aged" and "the married couple without children."

Thus, President Nixon (who, on other occasions, expresses deep concern about overpopulation and approves the expenditure of tax money to disseminate birth-control information and pills) would pay married couples bonuses for having babies. Have a baby, and you may get a government-guaranteed annual income, but you must not call it that.

In his New-Federalism messages, President Nixon said:

"A third of a century of centralizing power and responsibility in Washington has produced a bureaucratic monstrosity, cumbersome, unresponsive, and ineffective."

"Overcentralized, overbureaucraticized, the Federal Government became unresponsive as well as inefficient.

"In their struggle to keep up, states and localities found the going increasingly difficult.

"In the space of only 10 years, state and local expenditures rose by two and a half times — from 44 billions in 1958 to 108 billions in 1968.

"States alone have had to seek more than 200 tax increases in the past eight years."

"After a third of a century of power flowing from the people and the states to Washington, it is time for a new federalism in which power, funds, and responsibility will flow from Washington to . . . the people. . . . [and] to those governments that are closest to the people.

"The essence of the 'New Federalism' is to help regain control of our national destiny by returning a greater share of control to state and local governments and to the people."

Having said as much, President Nixon — virtually in the same breath — proposed increased centralization of power and responsibility in Washington.

Under the present system, state and local governments administer the distribution of tax money from Washington for welfare. Under Nixon's system, state and local governments would play no role at all — have no control or responsibility. Under Nixon's Family Assistance Program, the federal Social Security Administration would mail monthly guaranteed-income checks *directly* to some 30 million people classified by *federal* bureaucrats as qualified.

At present, state and local governments generally make some effort to investigate the eligibility of a reliefer before giving him tax money for welfare. Nixon would stop such "welfare snooping," because, he says, it is degrading to reliefers. Under Nixon's plan, anyone could get welfare by merely filing a "certification of income," asserting his eligibility.

On August 12, 1969 (the day Nixon delivered one of his New-Federalism messages about restoring states rights by letting power and responibility return to the states), a White House official told a group of editors in Chicago the Nixon administration would, if necessary, withhold federal welfare funds "to blackjack the states" into accepting federal welfare standards.[1]

Nixon would federalize the welfare system by taking away from states such power as they now have to limit and regulate the system — leaving with the states, however, the necessity of raising part of the tax money. The basic difference (in principle) between this and the Nelson Rockefeller proposal (endorsed by the 1969 National Governors Conference) is that the Rockefeller scheme would *totally* nationalize welfare: states would have neither power to regulate welfare, nor responsibility to raise money for it; the federal government would handle it entirely.

In his New-Federalism messages, President Nixon denounced the present welfare system because it creates an incentive not to work — pro-

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vides more money for idlers than many workers earn in wages. Nixon was indignant about this. He said:

"It is morally wrong for a family that is working to try to make ends meet to receive less than the family across the street on welfare. . . .

"Any system which makes it more profitable for a man not to work than to work. . . . is wrong and indefensible."

He is right about all that, of course; but, under his scheme, a non-working welfare family of four in New York City would receive $5350 a year — $3750 in state and local welfare assistance, $1600 in guaranteed income from the federal government.(2) This is more than many a working man makes.

The non-working, welfare family would continue to get many fringe benefits, in addition to the $5350-a-year: federal food stamps, free medical care in the best hospitals, subsidized transportation, subsidized day-care for children, special remedial education — and so on. And it would also get, under Nixon's plan, a special $30-a-month bonus for accepting job training. Compare the situation of this non-working family, under Nixon's welfare plan, with the plight of an elderly couple, retired on social security after having worked for 30 years, both having continuously paid social security taxes and federal income taxes. After 30 years of working and paying taxes, they get a maximum of $2970 a year in social security benefits — $2480 a year less than the income of the New York City family of reliefers who never worked, never paid direct taxes, and never will.(2)

Nixon says, "We can meet individual human needs without encroaching on personal freedom." He may not encroach on the freedom of the millions to whom he proposes to give welfare, but how about the millions whose money he will confiscate to pay for the welfare? Their "personal freedom" to keep and use the fruits of their own labor is quite eliminated by the pillaging of government.

Nixon says:

"The concept of voluntary action . . . of people banding together in a spirit of neighborliness to do those things which they see must be done is deeply rooted in America's character and tradition.

"As we have swept power and responsibility to Washington, we have undercut this tradition. Yet, when it comes to helping one another, Washington can never bring the heart that neighbors can. Washington can never bring the sensitivity to local conditions or the new sense of self-importance that a person feels when he finds that some one person cares enough to help him individually."

If Nixon believes that, why does he not act upon it? He need only to get Washington out of the welfare business; eliminate the $50 billion a year he says the federal government wastes on social programs; and let the people keep the money, so that they, "banding together in a spirit of neighborliness," can "do those things which they see must be done" — through private effort, or through such public programs as *the people* decide should be handled by their state and local governments.

FOOTNOTES

(1) *The Republican Battle Line*, Aug., 1969

(2) Press release, U.S. Representative Jim Collins, *Dallas Times Herald*, Aug. 22, 1969, p. A26

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